

Finding of No Significant Impact
Environmental Assessment
Expressions of Interest 1457, 1459, and 1465/1514
DOI-BLM-Eastern States-0030-2017-0009-EA

INTRODUCTION

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA) DOI-BLM-Eastern States-0030-2017-0009-EA to address the offering of certain lease parcels located in Huron Manistee National Forest (HMNF), Muskegon County, Michigan at the September 2018 BLM Eastern States Competitive Oil and Gas Lease Sale. The EA has been prepared in accordance with the National Environmental Policy Act (NEPA) of 1969; the Council on Environmental Quality (CEQ) regulations implementing NEPA (40 Code of Federal Regulations [CFR] Parts 1500-1508), the United States Department of the Interior (DOI) NEPA requirements (Department Manual 516, Environmental Quality) and the BLM NEPA Handbook H-1790-1. The information presented within the EA serves as the basis for the BLM Authorized Officer to decide whether the Proposed Action would result in significant impacts to the environment. Significant impacts would require the preparation of an Environmental Impact Statement (EIS). If the BLM Authorized Officer determines that no significant impacts would occur, a Finding of No Significant Impact (FONSI) would be issued.

Under the proposed action, the parcels recommended to be offered at the September 2018 lease sale contain approximately 3,757 acres of Federal minerals administered by BLM and the United States Forest Service (USFS). Standard terms and conditions as well as parcel specific stipulations have been attached to the parcels as specified through the EA. Lease stipulations were added to each parcel as identified by the USFS to address site-specific concerns or new information not identified in the land use planning process. In addition to the proposed action, a No Action alternative was analyzed in the EA.

A federal oil and gas lease is a legal contract that grants exclusive rights to the lessee to develop federally-owned oil and gas resources, but does not authorize surface-disturbing activities or obligate the lessee to drill a well on the parcel in the future. Should the parcel be leased and a detailed plan for oil and gas development on the parcel be identified, the BLM and Forest Service would conduct future site-specific environmental analysis, prior to any ground disturbing activities, including any required consultations.

CONSULTATIONS AND EXTERNAL SCOPING

Informal consultation with the United States Fish and Wildlife Service (FWS) was initiated March 7, 2018 and is ongoing for these parcels in compliance with the Endangered Species Act, Section 7 Consultation requirements. BLM initiated consultation with the Michigan State Historic Preservation Office (SHPO) by email on February 14, 2018. To date, the Michigan

SHPO has not responded to the email, indicating that they have found no need to consult at this stage. Consultation would occur at the APD phase prior to ground disturbing activities.

On February 14, 2018, BLM sent letters to six federally-recognized tribes; two tribes responded to BLM with no concerns about the proposed action and four tribes have yet to respond. Scoping also occurred throughout the process of developing the 2006 HMNF Land and Resource Management Plan (LRMP) (2006 Forest Plan) and associated Final Supplemental Environmental Impact Statement (EIS), which addressed the oil and gas leasing actions across the forest. A 30-day review period is provided for public review and comment on the EA prior to the proposed lease sale.

FINDING OF NO SIGNIFICANT IMPACT

Based upon a review of the EA and supporting documents, I have determined that the proposed action is not a major Federal action, and will not significantly affect the quality of the human environment, individually or cumulatively, with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as defined in 40 CFR 1508.27.

This finding is based on the context and intensity of the project as described:

Context:

The proposed action would occur in lower southwestern Michigan and within the Manistee portion of the Huron Manistee National Forest in Muskegon County. The analysis area is within the following watersheds:

- 040601010707 -- Skeel Creek-South Branch White River
- 040601010901 -- Sand Creek-White River
- 040601010902 -- Carlton Creek
- 040601010903 -- Pierson Drain
- 040601010904 -- White Lake-White River
- 040601011004 -- Bigsbie Lake-Frontal Lake Michigan
- 040601011008 -- Duck Creek
- 040601011009 -- Little Black Creek-Frontal Lake Michigan
- 040601020905 -- Brooks Creek
- 040601020906 -- Minnie Creek-Muskegon River
- 040601021001 -- Cedar Creek
- 040601021002 -- Mosquito Creek-Muskegon River
- 040601021003 -- Bear Creek
- 040601021004 -- Muskegon Lake-Muskegon River

A federal oil and gas lease is a legal contract that grants exclusive rights to the lessee to develop federally-owned oil and gas resources, but does not authorize surface-disturbing activities or obligate the lessee to drill a well on the parcel in the future. Before conducting any surface

disturbing activities, the lease owner/operator is required under 43 CFR 3162 to obtain approval of an application for permit to drill (APD). Upon receipt of an APD, the BLM conducts an onsite inspection with the applicant in cooperation with the landowner. The BLM also conducts site-specific NEPA analysis and consultations under the ESA and NHPA prior to approving the APD.

Although there would be no surface disturbance from the action of leasing, the EA analyzes a reasonably foreseeable development scenario (RFDS) to address the potential environmental effects from potential future oil and gas development. For example, estimates can be made on the most likely number of wells that could be constructed, but the specific locations cannot be determined until APDs are filed. The detailed RFDS is included as Appendix D to the 2006 Forest Plan.

Intensity:

The following discussion is organized around the Ten Significance Criteria described in 40 CFR 1508.27 and incorporated into resources and issues considered (includes supplemental authorities BLM NEPA Handbook Appendix 1, H-1790-1) and supplemental Instruction Memorandum, Acts, regulations and Executive Orders. The following have been considered in evaluating intensity for this proposal:

1. Impacts that may be both beneficial and adverse.

The proposed action would affect resources as described in the EA. There are no direct impacts to resources from the act of leasing. The EA identifies indirect impacts from leasing as a result of potential future impacts from development of those leases to air resources, fish and wildlife, geology/mineral resources/energy production, transportation and access, forests, soils, vegetation, invasive species, water resources, wastes, recreation, noise and odors, cultural resources, visual resources, and socioeconomics. Mitigating measures to reduce impacts to the various resources were incorporated into the design of the proposed action. None of the direct, indirect, or cumulative environmental effects discussed in detail in the EA are considered significant.

The proposed action and No Action alternative are in conformance with the 2006 HMNF LRMP and its associated Final EIS and Record of Decision, as amended (for EOIs 1457 and 1459) and the BLM Michigan Resource Management Plan (RMP) (1985) (for EOI 1465/1514). The BLM was a cooperating agency in the development of the 2006 Forest Plan and associated Final EIS and the EA analysis is tiered to both the Final EIS for the 2006 Forest Plan (EOIs 1457 and 1459) and the BLM Michigan RMP (EOI 1465/1514).

2. The degree to which the proposed action affects public health or safety.

The proposed action is designed to offer lease parcels for sale and would not directly affect public health or safety. Through the NEPA process and adherence to federal, state, and local regulations, laws, permits and policy, as well as Best Management Practices (BMPs), Standard Operating Procedures (SOPs), safety standards and protocols, there should be no significant indirect effects to public health or safety from potential future minerals development. If the leases enter into the development stage, public health or safety would be further addressed through site-specific NEPA analysis where specific mitigation measures to control potential for spills or wastes would be identified as deemed necessary and appropriate.

3. Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.

The EA evaluated the area of the proposed action and determined that no unique geographic characteristics such as Wild and Scenic Rivers, Prime or Unique Farmlands, Areas of Critical Environmental Concern, Designated Wilderness areas, or Wilderness Study Areas were present. Wetlands are present within the Decision Area, but lease stipulations will prevent surface occupancy in these areas. Regarding cultural resources, about half of the footprint within the proposed lease areas have been surveyed and a records search indicated there are previously recorded archeological sites located within or immediately adjacent to the proposed lease area. There are no known paleontological remains within the proposed lease area. There would be no direct impacts to cultural resources. All archeological sites identified within the proposed lease area would be avoided during any proposed future ground disturbing activities, when possible. Should development of any lease parcels occur in the future, site-specific consultations and any required cultural surveys would be conducted pursuant to the National Historic Preservation Act.

4. The degree to which the effects on the quality of the human environment are likely to be controversial.

Effects on the quality of the human environment are not expected to be significant or highly controversial. Additional site-specific environmental analysis will be conducted that addresses effects on resources at the time of development of the leases. Controversy in this context is considered to be in terms of disagreement about the nature of the effect - not political controversy or expression of opposition to the action or preference among the alternatives analyzed within the EA. The public will have 30 days to review the EA and provide comments.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.

The project is not unique or unusual. The BLM has experience implementing similar actions in similar areas. The environmental effects to the human environment are fully analyzed in the EA. There are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks.

6. The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration.

This project neither establishes a precedent nor represents a decision in principle about future actions. This leasing of Federal minerals and more specifically fluid minerals has been occurring since the creation of the Mineral Leasing Act of 1920. A decision to lease would not limit later resource management decisions for areas open to development proposals.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts.

The interdisciplinary teams involved in preparing the EA evaluated the Proposed Action in the context of past, present and reasonably foreseeable actions. Only 11 wells were drilled throughout the Huron Manistee National Forest in the past ten years, which is far below the predicted rate of development in the 2006 Forest Plan (see Appendix D). As described in Chapter 3 of the EA, the environmental impacts to all resources from the reasonably foreseeable future development of the leases incrementally are expected to be low enough in relation to other past, present and future actions to not rise to the level of major significance and trigger development of an EIS. Post-lease actions/authorizations (e.g. APDs, rights of way), could be encumbered by further restrictions on a case-by-case basis, as required through project-specific NEPA analysis or other environmental review. The use of BMPs, SOPs, and lease stipulations, as well as potential conditions of approval at the APD stage, would lessen the potential for significant cumulative effects.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the NRHP or may cause loss or destruction of significant scientific, cultural, or historical resources.

About half of the footprint within the proposed project area has been surveyed and a records search indicated there are previously recorded archeological sites located within or immediately adjacent to the proposed lease areas. There are no known paleontological remains within the proposed lease areas. There would be no direct impacts to cultural resources. All archeological sites and any areas listed under the National Register of Historic Places identified within the proposed lease areas would be avoided during any proposed future ground disturbing activities.

Should development of any lease parcels occur in the future, site-specific consultations and any required cultural surveys would be conducted pursuant to the National Historic Preservation Act.

9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the ESA of 1973.

Four species that are listed with the FWS as endangered or threatened occur within the analysis area that contains the nominated lease parcels. The act of leasing itself would have no effect on any of the threatened or endangered species listed. Subsequent actions associated with drilling could have some effects on some species. These potential effects are detailed in the biological assessment (BA) that the BLM prepared pursuant to its required consultation with the FWS. The BA includes possible Conditions of Approval (COAs) that the BLM would recommend, or when it has the legal authority to require, for use on private surface. Mitigating measures to reduce impacts to wildlife and fisheries have been incorporated into the design of the proposed action. Furthermore, post-lease actions/authorizations (e.g. Applications for Permit to Drill, road/pipeline right-of-way) could be encumbered by additional restrictions such as controlled surface use or timing limitations on a case-by-case basis, as required through site-specific environmental analysis or review.

10. Whether the action threatens a violation of Federal, State, or local law or requirements imposed for the protection of the environment.

The project does not violate any known Federal, State, local or tribal law or requirement imposed for the protection of the environment. In addition, the project is consistent with applicable land management plans, policies and programs.

Dean Gettinger, District Manager
Northeastern States District

Date